

SENATE BILL 721

C5

0lr2540
CF HB 810

By: **Senators Middleton, Frosh, Kelley, and Stone**
Introduced and read first time: February 10, 2010
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Service Commission – Cost Reimbursement**

3 FOR the purpose of authorizing the Public Service Commission to require a certain
4 applicant for authorization of certain transactions to reimburse the Commission
5 for certain costs; prohibiting a public service company from passing certain costs
6 on to ratepayers; requiring the Commission to provide certain notice to certain
7 applicants; providing that a reimbursement under this Act is not an assessment
8 under a certain provision of law and not subject to certain limitations; and
9 generally relating to reimbursable costs of the Public Service Commission.

10 BY adding to
11 Article – Public Utility Companies
12 Section 6–106
13 Annotated Code of Maryland
14 (2008 Replacement Volume and 2009 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – Public Utility Companies**

18 **6–106.**

19 **(A) THE COMMISSION MAY REQUIRE AN APPLICANT FOR**
20 **AUTHORIZATION OF A TRANSACTION UNDER § 6–101 OR § 6–105 OF THIS**
21 **SUBTITLE TO REIMBURSE THE COMMISSION FOR THE COST OF RETAINING**
22 **ADDITIONAL PROFESSIONAL SERVICES TO HELP THE COMMISSION, INCLUDING**
23 **THE COMMISSION’S TECHNICAL STAFF, DETERMINE WHETHER THE**
24 **TRANSACTION SHOULD BE AUTHORIZED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 **(B) A PUBLIC SERVICE COMPANY MAY NOT PASS THE COST OF**
2 **REIMBURSEMENTS REQUIRED UNDER THIS SECTION ON TO RATEPAYERS.**

3 **(C) (1) AS SOON AS PRACTICABLE, ON RECEIVING AN APPLICATION**
4 **FOR AUTHORIZATION OF A TRANSACTION UNDER § 6-101 OR § 6-105 OF THIS**
5 **SUBTITLE, THE COMMISSION SHALL NOTIFY THE APPLICANT:**

6 **(I) THAT THE APPLICATION IS SUBJECT TO**
7 **REIMBURSEMENT UNDER THIS SECTION; AND**

8 **(II) OF THE ANTICIPATED EXPENSES THE COMMISSION**
9 **WILL INCUR THAT QUALIFY FOR REIMBURSEMENT UNDER THIS SECTION.**

10 **(2) IN ADDITION TO THE NOTICE REQUIRED UNDER PARAGRAPH**
11 **(1) OF THIS SUBSECTION, THE COMMISSION SHALL NOTIFY AN APPLICANT OF**
12 **ANY CHANGES TO THE ANTICIPATED EXPENSES FOR WHICH THE COMMISSION**
13 **WILL SEEK REIMBURSEMENT UNDER THIS SECTION.**

14 **(D) (1) PAYMENT FOR REIMBURSEMENT UNDER THIS SECTION IS NOT**
15 **AN ASSESSMENT UNDER § 2-110 OF THIS ARTICLE.**

16 **(2) THE LIMITATIONS UNDER § 2-110(C)(12) OF THIS ARTICLE DO**
17 **NOT APPLY TO A REIMBURSEMENT REQUIRED UNDER THIS SECTION.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2010.